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Campaign Finance Sam's Club Mailer Featuring Dole Called Illegal Campaign Contribution

RALEIGH, N.C.—Four North Carolina Democrats, who are also Sam's Club customers, have filed a complaint with the Federal Election Commission over an article in the latest issue of the retailer's magazine featuring Republican Senate candidate Elizabeth Dole, a local party representative told BNA Sept. 6.

According to Marc Siegel, spokesman for the North Carolina Democratic Party, a four-page article on the Dole, along with her campaign photo, were featured in the "Back-to-School" issue of Source, the Sam's Club periodical. The magazine was sent about a week ago to 7 million Sam's Club members nationwide, including about 200,000 residents of North Carolina, Siegel said.

In a Sept. 5 letter to the FEC, the four Democrats allege that the timing of the feature, mailed two weeks prior to North Carolina's Sept. 10 primary election, and its use of Dole's campaign image are an obvious attempt to influence the election. Such a mailing would have cost the Dole campaign about \$2 million, the complaint alleges.

The article, titled "Elizabeth Dole: Literacy and Where It Can Take You," does not mention Dole's Senate campaign. However, according to the complaint, the magazine's cover contains her campaign image, and a photograph of a child wearing a "Dole for Senate" lapel sticker also is attached to the article.

Attempt to Influence Election Seen

"The timing—less than two weeks before the Primary Election—was clearly a blatant attempt by the nation's largest corporation to influence North Carolina's election," the complaint alleges. Sam's Club is a subsidiary of the Arkansas-based retailer Wal-Mart. The letter was signed by Patricia Hawkins, a Raleigh resident, and Larry and Betty Owen and Linda Gunter, all of Cary, N.C.

In a Sept. 5 statement announcing the complaint, Hawkins called on the Dole campaign to repay the \$2 million she said the mailing would have cost it. "Elizabeth Dole should admit this is an excessive illegal campaign contribution and she should return the full cost of the mailing," Hawkins said.

Hawkins also alleged that Wal-Mart's political action committee already had contributed the maximum amount of money allowed under federal law to the Dole campaign, "then stepped outside the bounds of the law" by sending her image around the state.

According to Siegel, although Democratic party organizers did not initiate the FEC complaint, "the party absolutely helped facilitate this" after receiving complaints about the matter.

Dole Camp Says No Law Violated

Mary Brown Brewer, spokeswoman for the Dole, told BNA that the complaint was "frivolous and groundless." The article did not endorse Dole's candidacy, but even if it did, it did not violate federal election law, Brewer said.

The article was "non-political" and focused on literacy, an issue on which Dole has been an outspoken advocate for during her entire career, according to Brewer. However, because it was a mailing to members of an organization, even if it did endorse the candidate, "this would be perfectly legal," she said.

The filers of the complaint "are trying to say that groups such as the [National Rifle Association] or Sierra Club or AFL-CIO cannot communicate with their members," Brewer said.

An FEC spokesman declined to comment on the matter.

According to Bill Wertz, spokesman for Wal-Mart, it was not the company's intent to make a political statement through the Dole feature. "Our intent was to focus on the issue of literacy, which is a non-partisan issue," he said.

Although company officials do not believe they have done anything illegal, Wertz said the timing of the feature was "unfortunate" due to the upcoming elections. "From our standpoint, the development of this issue was just not reviewed at the proper level to have the right political sensitivity," Wertz told BNA.

According to Wertz, the magazine is sent to dues paying Sam's Club members five times per year and confirmed the numbers included in the complaint. He said company officials have contacted FEC officials to communicate their position on the issue.

By Andrew M. Ballard

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